



## PROPOSED

# ARTICLES OF INCORPORATION OF ELEVEN TOWNHOMES OWNERS ASSOCIATION INC.

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies:

### ARTICLE I

#### Name

The name of the corporation is Eleven Townhomes Owners Association Inc., hereinafter called the "Association."

### ARTICLE II

#### Office

The principal and registered office of the Association is located at 21 Glenwood Avenue, Suite 203, Wake County, Raleigh, North Carolina, 27603.

### ARTICLE III

#### Registered Agent

G. Roland Gammon, III, whose address is 3008 Anderson Dr, Suite 120, Wake County, Raleigh, North Carolina, 27608, is hereby appointed Registered Agent of this Association.

### ARTICLE IV

#### Purposes

This Association does not contemplate pecuniary gain or profit to the members thereof and no part of the Association's net income shall inure to the benefit of any of its officers, directors or members or any other private individual. The purposes and objects of the Association shall be for maintenance, preservation and architectural control of the resident townhomes and lots within that certain townhome development known as Eleven Townhomes Owners Association, to be constructed in accordance with the laws of the State of North Carolina upon the property situated, lying and being near the City/County of Durham, North Carolina, and described in Exhibit "A" attached to the Declaration of Covenants, Conditions and Restrictions for Eleven Townhomes Owners Association (hereinafter "Declaration") recorded or to be recorded in the Durham County Registry.

Such purposes shall include the following:

- a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration applicable to the property and recorded or to be recorded in the Office of the Durham County Register of Deeds and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

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Buyer

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Buyer

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Seller

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Seller

- b) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- c) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject always to the provisions and requirements of the Declaration and the limitations and restrictions imposed by applicable law;
- d) To borrow money, and with the assent of members entitled to cast two-thirds (2/3) of the votes of the membership, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject always to the provisions and requirements of the Declaration. The rights of such mortgagee in said properties shall be subordinate to the rights of the members;
- e) To dedicate, sell or transfer all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members, subject to the provisions and requirements of the Declaration. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the membership agreeing to such dedication, sale or transfer. The certifications by the secretary of the Association that the required number of members have executed instruments in conformity with this provision shall be conclusive as to the fact recited by such certification;
- f) To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same or similar purposes or annex additional residential property and common area, subject to the provisions and requirements of the Declaration; and further provided that any such merger or consolidation shall have the assent of members entitled to cast two-thirds (2/3) of the votes of the membership.
- g) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise;
- h) To contract for the management of the Association and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the membership.

## ARTICLE V Membership

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

## ARTICLE VI Voting Rights

The Association shall have one class of voting membership. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations.

## ARTICLE VII Board of Directors

The affairs of this Association shall be managed by a Board of Directors consisting of not less than three (3) Directors and not more than five (5), and the initial Board of Directors shall consist of three (3) persons, who shall serve until the first annual meeting of the membership of the Association. The exact number of directors shall be fixed by the Board of Directors as provided for in the Bylaws of the Association. Directors need not be members of the Association. The names and addresses of the three persons who are to serve as Directors until the organizational meeting of the membership of the Association, or until their successors are elected and qualified are:

<u>Name</u>	<u>Address</u>
G. Roland Gammon	3008 Anderson Dr St 20 Raleigh, NC 27609

J Scott Harmon

107 E Chapel Hill St  
Durham, NC 27701

Joseph B Gammon

3008 Anderson Dr St 20  
Raleigh, NC 27609

## ARTICLE VIII Dissolution

The Association may be dissolved with the assent given in writing and signed by members entitled to cast eighty percent (80%) of the votes of the entire membership. This corporation shall have no capital stock. In the event of dissolution, no member, director, or officer of the corporation or any private individual shall be entitled to share in the distribution of the assets of this corporation.

## ARTICLE IX Duration

The corporation shall exist perpetually.

## ARTICLE X Meetings for Actions

In order to take action under Articles I(d), (e), (f) and VIII, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting, shall be given to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. The presence of members or proxies entitled to cast twenty five percent (25%) of the votes the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

## ARTICLE XI Amendments

Amendment of these Articles shall require the assent of two-thirds (2/3) of the entire membership. Provided, however, and notwithstanding the foregoing, the Declarant, as that term is defined in the Declaration, may at any time and from time to time amend these Articles of Incorporation without obtaining the consent or approval of the members or any other person or entity if such amendment is necessary for any one of the following purposes: to correct an obvious typographical or clerical error; to cause these Articles of Incorporation to comply with the requirement of FHA (Federal Housing Administration), VA (U.S. Department of Veterans Affairs, FNMA (Federal National Mortgage Association) or other such similar agency; or as may be necessary to establish or maintain the tax exempt status of the Association under the laws of the United States or the State of North Carolina.

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Seller

ARTICLE XII  
Incorporation

The name and address of the incorporator is as follows:

G. Roland Gammon, III  
3008 Anderson Dr Ste 120  
Raleigh, NC 27609

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of North Carolina, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
G. Roland Gammon, III

NORTH CAROLINA

WAKE COUNTY

THIS IS TO CERTIFY that on the \_\_\_\_\_ day of \_\_\_\_\_, 2018, before me, a Notary Public, personally appeared, G. ROLAND GAMMON, III, who I am satisfied is the person named in and who executed the foregoing Articles of Incorporation, and I having first made known to him the contents thereof, he did acknowledge that he signed and delivered the same as his voluntary act and deed for the uses and purposed therein expressed.

IN TESTIMONY WHEREOF, I have hereunder set my hand and affixed my official seal, this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Seller